

DEPARTMENT OF THE ARMY OFFICE OF THE ASSISTANT SECRETARY CIVIL WORKS 108 ARMY PENTAGON WASHINGTON DC 20310-0108

APR 2 4 2007

Honorable Nancy Pelosi Speaker of the House of Representatives U.S. Capitol Building, Room H-232 Washington, D.C. 20515-0001

Dear Madam Speaker:

The U.S. Army Corps of Engineers evaluated hurricane and storm damage reduction measures for Montauk Point, New York. A project to reduce these damages is described in the report of the Chief of Engineers dated March 31, 2006, which includes other pertinent reports and comments. The views of the State of New York, the Department of the Interior, The Department of Agriculture, the United States Coast Guard, and the Environmental Protection Agency are set forth in the enclosed report. The report of the Chief of Engineers is in response to authority contained in two resolutions adopted by the Committee on Environment and Public Works of the Senate, dated May 15, 1991. The Secretary of the Army's position on the project is described herein.

The recommended plan in the report of the Chief of Engineers consists of a long-term comprehensive revetment project designed for hurricane and storm damage reduction for Montauk Point, New York, from a storm with a 73-year return frequency. The stone revetment would extend for a length of 840 feet along the bluff supporting the historic Montauk Point lighthouse complex. It would have a crest width of 40-feet at elevation +25 feet NGVD, and 1V:2H side slopes. The revetment would consist of 12.6-ton quarry stone armor units extending from the crest down to embedded toe with three layers of 4-5 ton armor units used atop the splash apron. The bottom of the armor stone layer in the toe would be located at a depth of 12-feet below the existing bottom and would include a heavily embedded toe to protect against breaking waves to provide long-term stone stability and prevent scour at the toe of the structure. The proposed work would have no significant impact on the quality of the environment in the project area. Most impacts associated with this project would be temporary, and none of the impacts are regarded as significant.

Based on existing policy, there is no Federal interest in protection of a property owned by a single, private non-profit entity. However, the study provided additional information. It was determined that, the Montauk Historical Society (MHS) owns the lighthouse complex and is a private, non-profit association that is not part of any state or local government. This land is held open, for use by all on equal terms, regardless of origin or home area. Under the deed and charter, the MHS cannot structure and constrain uses of the property,

nor can anyone who cares to join the MHS and enjoy the benefits of the facility and water resources project be excluded. In light of these facts, a waiver to the single landowner policy was granted by the Assistant Secretary of the Army (Civil Works) on June 29, 2005, allowing the completion of the feasibility study. However, it was noted that this project remains as a low budgetary priority.

The project costs are all allocated to the hurricane and storm damage reduction purpose. However, because the protected area uses are deemed as recreational, Federal and non-Federal participation in such projects are each 50 percent of the estimated total project first costs, in accordance with the requirements of the Water Resources Development Act 0f 1986. Based on October 2005 price levels, the Corps estimates that the total first cost for initial construction of the project is \$14,252,000 of which \$7,126,000 would be a Federal cost and \$7,126,000 would be a non-Federal cost. The average annual cost for operation, maintenance, repair, rehabilitation, and replacement (OMRR&R) of the recommended project is estimated at \$54,000, which would be the responsibility of the non-Federal sponsor, the New York State Department of Environmental Conservation.

Based on October 2005 prices and a Federal discount rate of 5.125 percent, the total equivalent annual benefits of this project are \$1,697,000 and the equivalent annual costs are \$889,000, which results in a benefit to cost ratio of 1.9 to 1, with equivalent annual net benefits of \$808,000. With incidental recreational benefits limited to be no more than the storm damage reduction benefits, the equivalent annual benefits are \$1,094,000 and the equivalent annual costs are \$889,000, which results in a BCR of 1.2 to 1 with equivalent annual net benefits of \$205,000. The Corps' recommended plan is the national economic development plan.

The Office of Management and Budget (OMB) advises that there is no objection to the submission of the report to Congress; however, as described in OMB's enclosed letter dated April 19, 2007, the Administration does not support authorization of this project for Federal construction. I am providing a copy of this transmittal and the OMB letter to the House Subcommittees on Energy and Water Development, and Water Resources and Environment in accordance with the requirements of the Fiscal Year 2006 Energy and Water Development Appropriations Act (P.L. 109-103).

Very truly yours,

John Paul Woodley, Jr

John Paul Woodley, Jr. Assistant Secretary of the Army

(Civil Works)

Enclosures



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APR 2 4 2007

Honorable Richard Cheney President of the Senate U.S. Capitol Building, Room S-212 United States Senate Washington, D.C. 20510-0012

Dear Mr. President:

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Very truly yours,

// John Paul Woodley, Jr. Assistant Secretary of the Army

John Paul Woodley, J.

(Civil Works)

Enclosures